

FT-R



Kate Kiernan
Regional Vice President, State Relations

Testimony of the American Council of Life Insurers
Before the Insurance and Real Estate Committee
Thursday, February 14, 2013

House Bill 5635 – An Act Concerning the Time Frame for Provision of a Completed Insurance Application Form by an Insurance Producer to an Applicant

Senator Crisco, Representative Megna, and members of the Insurance and Real Estate Committee, the American Council of Life Insurers (ACLI) appreciates the opportunity to offer the following comments in opposition to **House Bill 5635 – An Act Concerning the Time Frame for Provision of a Completed Insurance Application Form by an Insurance Producer to an Applicant**. ACLI respectfully opposes House Bill 5635 for the reasons set out below.

House Bill 5635 would require insurance producers to provide a completed application to an applicant within 5-days after the applicant applies for coverage. This sets up a confusing series of events and creates ambiguity with the requirement that the applicant review and approve the application. It is generally accepted that an application is final when it is signed and submitted by the applicant. This legislation would seemingly set up a second review of the application. In addition to other problems, the second review of the application would ultimately cause a delay in binding coverage. This is a detrimental outcome for Connecticut consumers.

In addition, Connecticut General Statute 38a-437 requires that life insurers furnish a copy of an application to the policyholder upon request. Policyholders are clearly able to obtain their life insurance application under already existing statutes.

For the foregoing reasons, ACLI asks the committee to reject House Bill 5635. Thank you for considering our position. Please contact John Larkin at (860) 508-9924 or Kate Kiernan at (202) 624-2463 with any questions.

ACLI is a trade association with more than 300 legal reserve life insurer and fraternal benefit society member companies operating in the United States. ACLI members represent more than 90 percent of the assets and premiums of the life insurance and annuity industry. There are 233 ACLI member companies licensed to do business in Connecticut, accounting for 90 percent of the ordinary life insurance in force in the state.